

Exhibit H

It's a **dream
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In the Holy Land, Resetting U.S. Mideast Policy

By Walter Isaacson

Correction Appended: Dec. 18, 2009

The time has come for the Obama Administration to do a reset of American policy in the Middle East. At the moment, things are a mess. Earlier this year, U.S. officials requested that the Israelis stop all construction of settlements. Having drawn such a line in the sand, they appeared to blink when the Israelis kicked some of the sand in their face. Nor were the Americans able to get Arab countries to offer enticements to Israel in exchange for further concessions. So peace talks are on hold. ([See pictures of Obama overseas.](#))

Israelis sometimes lament that, as former Deputy Prime Minister Abba Eban once said, the Palestinians never miss an opportunity to miss an opportunity. This time it may be the Israelis who are letting a precious opportunity pass: the West Bank Palestinian leaders President Mahmoud Abbas and, especially, Prime Minister Salam Fayyad are the best partners for peace in Israel's history. Abbas and Fayyad have been astonishingly successful at fulfilling the road-map obligations to reform their security forces, resulting in a near cessation of violence in or from the West Bank. Indeed, the most notable occurrence in the past few years was something that did not occur: when [Israel invaded Gaza last January](#), the West Bank did not erupt. Fayyad has instituted financial transparency, lured talented technocrats into his Cabinet and launched smart economic initiatives. Growth for this year is expected to be about 7%. ([See pictures of heartbreak in the Middle East.](#))

These accomplishments provide a foundation for what could be a new American approach. Last summer, Fayyad announced that — instead of waiting for political negotiations to reach a final agreement on a Palestinian state — he would simply work to build the institutions of such a state right away. His aim was to create conditions that within two years would convince the world, including the Israelis, that the entity should be granted statehood. Israeli Prime Minister Benjamin Netanyahu has proposed a similar approach. He wants to provide both sides with security by building the Palestinian economy, and he has lifted some of the checkpoints in the West Bank.

Private groups have been helping this process. In partnership with the Overseas Private Investment Corporation and the Palestine Investment Fund, the Aspen Institute created the Middle East Investment Initiative, which uses loan guarantees to provide financing for medium-size Palestinian businesses. In two years it has facilitated 210 loans totaling \$45 million, generating 3,514 new jobs. In addition, the group has created an affordable mortgage facility, which will help more than 10,000 families purchase homes. Aspen's U.S.-Palestinian Partnership is also helping create a venture-capital fund run by Israeli and Palestinian investors to finance technology start-ups. (Watch TIME's video "TV Comedy Eases Palestinian Tensions.")

The Bush Administration energetically supported these efforts. So did National Security Adviser Jim Jones when he served as a Middle East envoy during the Bush Administration. When Jones wanted to make the town of Jenin a model of how security could be improved, he worked closely with those of us who were encouraging private investments.

Given the impasse in Israeli-Palestinian talks, the U.S. has various options. It could table its own comprehensive peace plan. It could change its focus to brokering a deal between Israel and Syria. Or it could vastly reinvigorate the effort to build up Palestinian institutions on the West Bank as part of a step-by-step progression toward peace. Working with special envoy Tony Blair and the private sector, the U.S. could again help build economic institutions, learning and job centers, industrial free-trade zones and youth programs. It would not require a lot of money; it could be done by enlisting American corporations and organizations in public-private partnerships.

An economic surge must not be a substitute for efforts to reach a comprehensive peace. But it could complement the quest for a final-status agreement by showcasing the benefits that peace would bring both sides. Or it could be the foundation for a ground-up approach in which the two sides focus first on resolving border issues and land swaps, which are actually easier to resolve than they may appear. In the process, Fayyad and Abbas would be shored up. The next step would be tackling trading arrangements, water rights and other practical matters. The thornier ideological issues that go to the heart of each side's conflicting narrative — the right of return of Palestinian refugees and sovereignty over Jerusalem — could be saved until later. So, too, could the question of Gaza, whose citizens would then be presented with the stark choice of continuing to support Hamas or embracing the peace and prosperity enjoyed by their brethren in the West Bank. And President Obama could take a large step toward fulfilling the hopes he raised in his Cairo speech.

Isaacson is the CEO of the Aspen Institute

The original version of this article misidentified Abba Eban as a former Prime Minister of Israel.

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